

AG Contract No. KR98 0053TRN  
ADOT ECS File: JPA 97-233  
Project: G1050 71C  
Section: Industrial Way ESP Improvements

INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
THE STATE OF ARIZONA  
AND  
THE TOWN OF SNOWFLAKE

THIS AGREEMENT is entered into 27 February, 1998,  
pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended, between the  
STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State")  
and the TOWN OF SNOWFLAKE, acting by and through its MAYOR and TOWN COUNCIL (the  
"Town").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The Town is empowered by Arizona Revised Statutes Section 41-1513 and 28-7281 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the Town.

3. The Town has requested Economic Strength Project (ESP) funds in the amount of \$81,000.00; the Arizona Department of Commerce and the Economic Development Commission have recommended the approval of such funds for the Town, and the Transportation Board has approved the funding, for the construction of improvements to Industrial Way to provide improved access, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

NO. 22226  
Filed with the Secretary of State  
Date Filed: 02/27/98  
Betty Bayless  
Secretary of State  
By: Wm. J. Haeneveld

## II. SCOPE

### 1. The Town will:

a. Insure the additional commitment of 21.66% of the total estimated Project cost, or \$22,400.00, whichever is more, from the Town or other sources (not including ESP funds) to the Project. Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the Town and provide maintenance.

b. No more often than monthly, invoice the State for ESP funds (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed \$81,000.00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than six (6) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State.

e. Provide the State (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

### 2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the Town for work completed on the Project funds in an amount not to exceed \$81,000.00.

## III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the Town by reason of state law under which funds for the Project are authorized to be expended.

2. The Town agrees to indemnify and save harmless the State, or any of its departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the State of any of the provisions of this agreement.

3. The total amount of ESP funds expended under this agreement shall not exceed 78.34% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the Town, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement.

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees.

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the Town and audit by the State are applicable to this contract.

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation  
Joint Project Administration  
205 South 17 Avenue, Mail Drop 616E  
Phoenix, AZ 85007

Town of Snowflake  
Town Manager  
81 West 1st Street  
Snowflake, AZ 85937

10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

TOWN OF SNOWFLAKE

STATE OF ARIZONA  
Department of Transportation

By Gary R. Brimhall  
GARY R. BRIMHALL  
Mayor

By Jay Klagge  
JAY KLAGGE, Director  
Transportation Planning

ATTEST:

By Barbara Bigler  
BARBARA BIGLER  
Town Clerk

RESOLUTION

BE IT RESOLVED on this 16th day of December 1997, that I, the undersigned LARRY S. BONINE, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the Town of Snowflake for the purpose of defining responsibilities for conveying ESP funds to the Town.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director of Transportation Planning for approval and execution.

A handwritten signature in dark ink, appearing to read 'D. Allocco', is written over a horizontal line.

DAVID ALLOCCO, Manager  
Engineering Technical Group  
for Larry S. Bonine, Director

RESOLUTION NO. 311

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF SNOWFLAKE, ARIZONA APPROVING THE TERMS AND CONDITIONS OF THE INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION THROUGH THE INTERMODAL TRANSPORTATION DIVISION FOR THE PURPOSE OF DEFINING RESPONSIBILITIES FOR CONVEYING ECONOMIC STRENGTH PROJECT FUNDS FOR IMPROVEMENTS IN THE INDUSTRIAL PARK.

WHEREAS, the Town of Snowflake has requested Economic Strength Project (ESP) funds in the amount of \$81,000 to make improvements in the Industrial Park; and

WHEREAS, the ARIZONA DEPARTMENT OF COMMERCE and the ECONOMIC DEVELOPMENT COMMISSION have recommended the approval of such funds for the Town; and


WHEREAS, the TRANSPORTATION BOARD has approved the funding, for the construction of improvements to Industrial Way to provide improved access, and aid in the retention and development of local business.

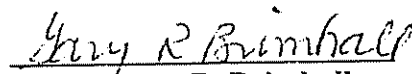
NOW THEREFORE LET IT BE RESOLVED by the Town Council of the Town of Snowflake to enter into an agreement of which is attached with the Department of Transportation and has authorized the undersigned to execute this agreement on behalf of the Town.

PASSED AND ADOPTED BY THE Mayor and Town Council of Snowflake, Arizona on this 10<sup>th</sup> day of February, 1998.

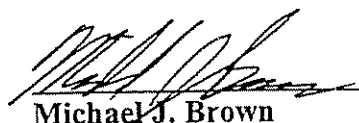
TOWN OF SNOWFLAKE

ATTEST:

  
Barbara Bigler  
Town Clerk

  
Mayor Gary R. Brimhall

APPROVED AS TO FORM:

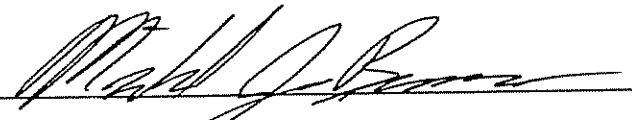
  
Michael J. Brown  
Town Attorney

JPA 97-233

APPROVAL OF THE SNOWFLAKE TOWN ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION and the TOWN OF SNOWFLAKE and declare this agreement to be in proper form and within the powers and authority granted to the Town under the laws of the State of Arizona.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1998.

  
\_\_\_\_\_  
Town Attorney

ECONOMIC STRENGTH PROJECTS  
REQUEST FOR PROPOSAL  
FY 1998 - ROUND 1  
August 1, 1997

APPLICATION FORM

*NOTE: Additional information may be provided in attachments. Be sure to clearly reference and mark such additions and attachments.*

1. NAME, ADDRESS, AND COUNTY OF APPLICANT(S):

TOWN OF SNOWFLAKE

81 W. 1<sup>ST</sup> S.

SNOWFLAKE, AZ

NAVAJO COUNTY

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

a) ☒ Local Government only

b) ☐ Private Non Profit / Local Government Joint Application:

Name of Non Profit Agency Involved

\_\_\_\_\_  
Name of Local Government Involved

TOWN OF SNOWFLAKE

3. Describe the function or purpose of applicant organization.

To provide services to the citizens of Snowflake, AZ

4. Name, address, and phone number of contact person(s):

5.

Brian Richards

81 W. 1<sup>st</sup> South

Snowflake, AZ 85937

(520) 536-7103 Ext. 254

5. Describe the private sector project or activity for which the related ESP funding is requested.

The Town of Snowflake has the opportunity to acquire an 100-acre hydroponic tomato plant. The attraction of this economic development effort will require help from the Town of Snowflake. The ESP funding will directly help the Town of Snowflake in acquiring this new capital investment.

6. Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.

The ESP project will be to pave the road in the Town's industrial park. This project will facilitate the transportation efforts of the hydroponic tomato plant.



21. List the names of local economic development organizations, and a contact person for each, which are involved with this private sector project. **Attach documentation (letters of support, etc.) showing the involvement and level of support of each organization.**

White Mountain Regional Development Corporation, Carl Weibel 520-537-3777

22. What is the total cost of the entire project? \$ 15,523,750.00
23. **What is the total cost of the ESP portion of the project?** \$ ~~123,750~~ 93,150
24. Complete and attach the Budget Detail Schedule (Attachment A).
25. Complete and attach the Sources and Uses Schedule (Attachment B).
26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund? \$ 81,000
27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

a) Public Funds:

- (1) Name of public entity contributing the match.

Amount

_____	\$ _____
_____	\$ _____
Total	\$ _____

- (2) Cash match contributed to the project.

- Source (general fund, grants, HURF, etc.)

Amount

HURF	\$ 12,150
_____	\$ _____
Total	\$ _____

- (3) In-kind match contributed to the project.

- Type of match (force account labor, construction management, materials, etc.)

Amount

Town of Snowflake	\$ 10,200
_____	\$ _____
Total	\$ _____

Refer to #29

b) Private Sector funds:

Name of private sector company(ies) contributing matching funds to the ESP project, (if any)

Amount

Citizens Gas	\$ 20,400
_____	\$ _____
Total	\$ 42,750

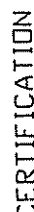
Refer to #28

## ECONOMIC STRENGTH PROJECTS - BUDGET DETAIL SCHEDULE

[illegible]

Signature of Registered Professional

A



I hereby certify that this plot and survey were made under my direction and supervision during the month of July, 1997, and is true and correct to the best of my knowledge.

SURVEY FOR TOWN OF SNOWFLAKE	"Gail Owen" Surveying P.O. BOX 704 18 W. Willow Lane Taylor, AZ 85939	Date of Survey, 07/97
	536-4029	Plat #, 970756 Drawn By, C.S.H.
RESULTS OF SURVEY		

LOCATION:

South 1/2 Sec. 12, T28N, R24E, S2E, NE 1/4

BASIS OF BE

Jerry Wood's Survey X  
recorded in Doc. II.

NOTES:

- 0 - Sat 5/8" W A DC, temp'd L513218  
 6 - Sat 1/2" PCP, temp'd L513219  
 0 - Sat 5/8" W A DC, temp'd L513218  
 --- 8:00 PM --- Buried Mole Force





GRANT WOODS  
ATTORNEY GENERAL

STATE OF ARIZONA  
OFFICE OF THE ATTORNEY GENERAL  
1275 WEST WASHINGTON, PHOENIX 85007-2926

TRN Main: (602) 542-1680  
Direct: (602) 542-8837  
Fax: (602) 542-3646  
MAIN PHONE : 542-5025  
TELECOPIER : 542-4085

**INTERGOVERNMENTAL AGREEMENT**  
**DETERMINATION**

A.G. Contract No. KR98-0053TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATE February 19, 1998.

GRANT WOODS  
Attorney General

A handwritten signature in black ink, appearing to read "James R. Redpath", is written over a horizontal line.

JAMES R. REDPATH  
Assistant Attorney General  
Transportation Section

JRR:et/10635

Enc.